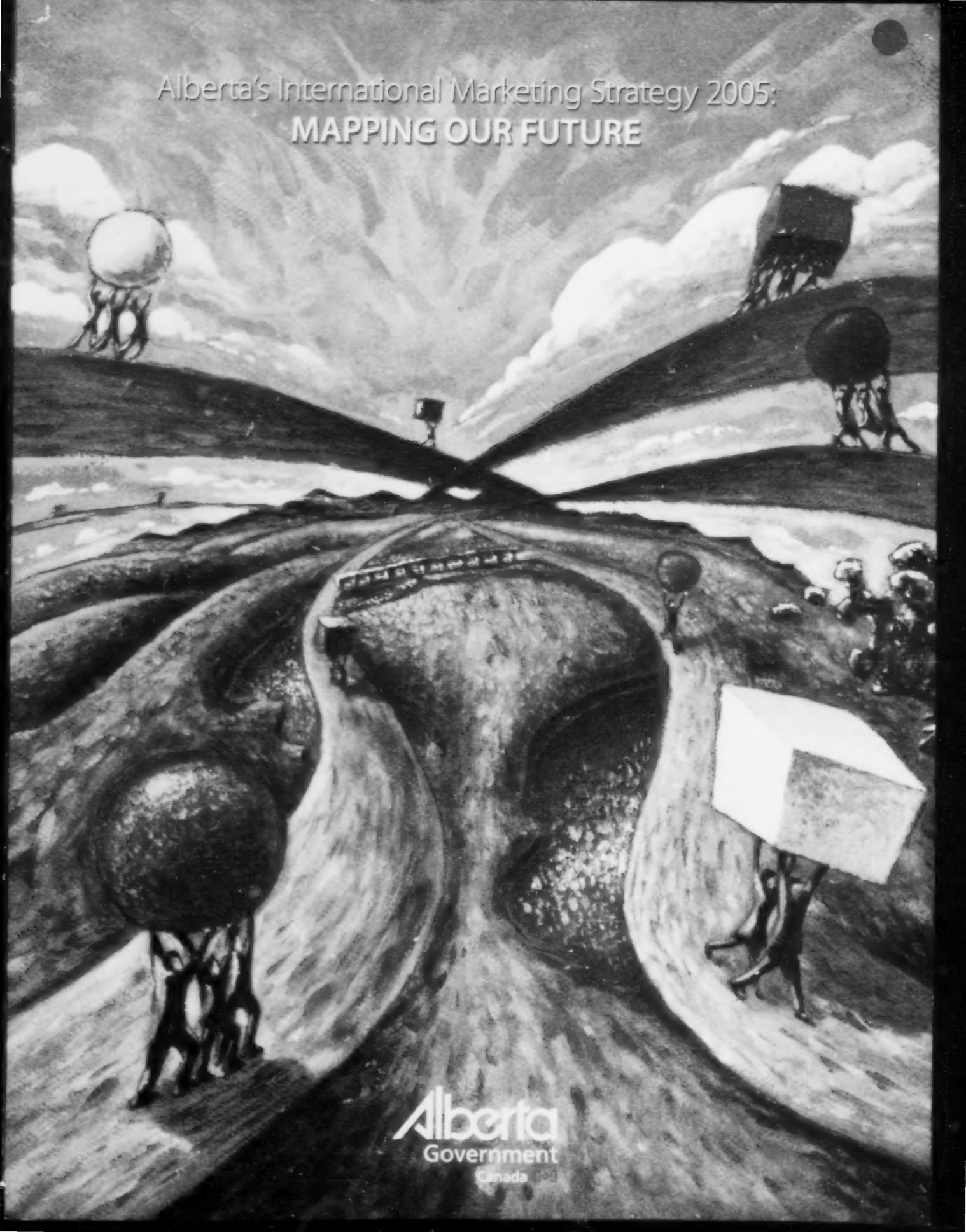
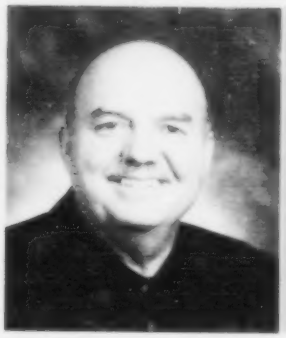

Alberta's International Marketing Strategy 2005:
MAPPING OUR FUTURE
Alberta
Government
Canada

MAPPING OUR FUTURE



MESSAGE FROM THE MINISTER

Thank you for your interest in **ALBERTA'S INTERNATIONAL MARKETING STRATEGY 2005: Mapping our Future**. **AIMS 2005** outlines the Government of Alberta's strategic direction for international marketing. Further, it highlights Alberta's most internationally competitive industries and emerging sectors while identifying those that hold significant potential.

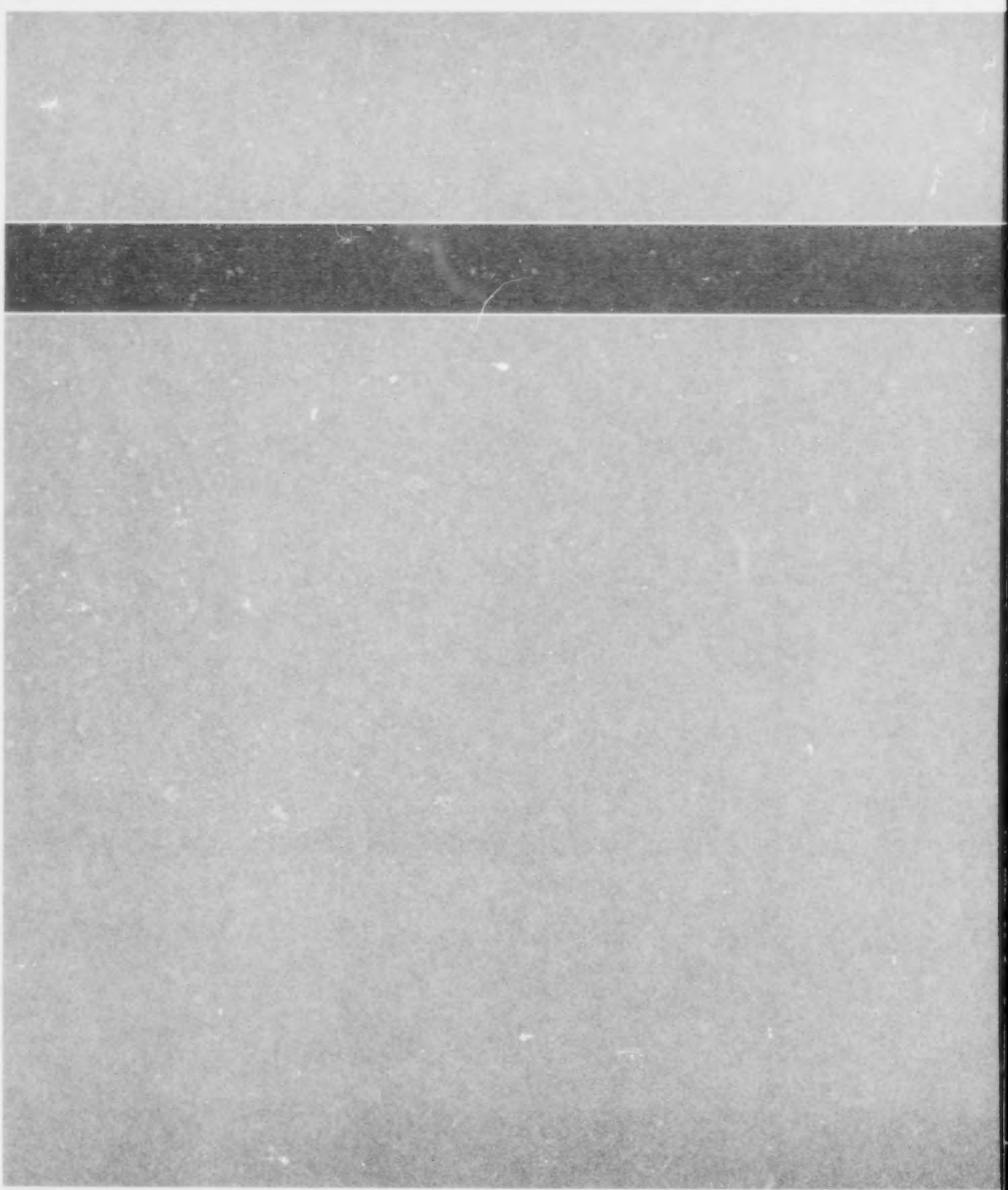
This document builds on the success of Alberta's original international marketing strategy launched in 2000. Regularly updating this strategy with new information on the evolving global marketplace allows AIMS to remain a valuable tool for communicating the government's international marketing priorities to industry stakeholders and Albertans.

It is my hope that AIMS 2005 will further enhance your understanding of Alberta as a prominent and successful player in the international economic arena.

Identifying and mapping out new international trade and investment opportunities is a cornerstone to ensuring sustainable economic growth in Alberta for this generation as well as the next.

Clint Dunford

Clint Dunford
Minister of Economic Development



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INTRODUCTION

increasing value-added trade and attracting investment are critical to Alberta's economic prosperity. Jobs, growth and living standards are connected to Alberta's competitiveness in the global economy. Staying competitive ensures the well-being of Albertans.

Alberta's International Marketing Strategy (AIMS) recognizes that the future prosperity of Alberta is dependent on attracting new investment and diversifying export markets. In doing so, AIMS articulates Alberta's trade and investment objectives in target markets.

AIMS identifies value-added trade and investment opportunities in the following sectors:

- Aerospace and Aviation
- Agri-food
- Architecture, Engineering and Construction
- Building Products
- Education and Training
- Energy
- Environmental Products and Services
- Health and Bio industries
- Industrial Machinery and Equipment
- Information and Communication Technologies
- Petrochemicals and Refined Products
- Tourism

AIMS outlines the following marketing approaches to ensure Alberta remains globally competitive:

- Providing strategic market intelligence
- Creating partnerships, networks and alliances
- Showcasing Alberta
- Leading with specific sectors
- Focusing on new investment
- Using international financial institutions

AIMS is the result of ongoing co-operation and co-ordination with several government ministries including:

- Advanced Education
- Agriculture, Food and Rural Development
- Economic Development
- Education
- Energy
- Innovation and Science
- International and Intergovernmental Relations

Private sector input, which was gathered through the Alberta Economic Development Authority's International Business Committee, also played an integral role in developing this strategy.

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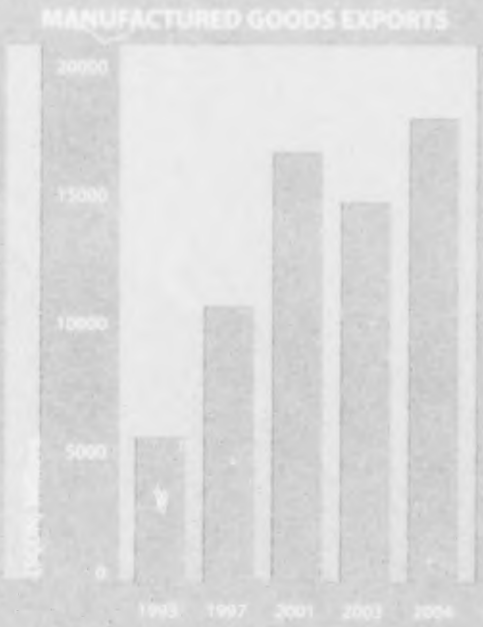
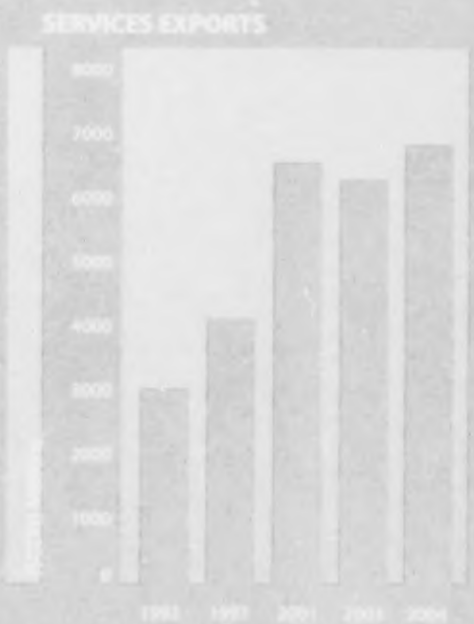
WHY TRADE AND INVESTMENT MATTER

TRADE

Alberta's future prosperity depends on its ability to increase value-added trade and investment opportunities and lessen the province's reliance on commodity exports. While resource-based commodities such as oil, natural gas and grain are important to Alberta's economy, the importance of services and manufactured goods continues to grow and plays an increasing role in economic growth and sustainability. For example, services exports totaled $8.1 billion in 2003, a 94 per cent increase over the 10-year period from 1993. Over the same 10-year period, manufactured exports grew by 160 per cent to $14.5 billion, up from $5.6 billion in 1993. Exports for 2004 continued their impressive growth as manufactured goods increased by 22 per cent and services by 8 per cent over 2003.





INVESTMENT

Investment creates jobs, promotes economic growth, enhances living standards, increases exports and helps broaden the economic base of the province's economy. The majority of foreign investment results in the expansion of existing operations in the province. Capital investment in Alberta totaled $48.5 billion in 2004. In recent years, foreign and domestic investment has accounted for over 25 per cent of the province's gross domestic product.

New investment and business immigration also improve Alberta's ability to supply goods and services globally. Some Alberta companies expand by developing services or distribution centres in their export markets, thereby increasing their competitiveness in those markets and enhancing their knowledge of market trends.

[1] Statistics Canada classifies "Manufacturing" into the following sub-sectors: Food and Beverages, Plastics, Textiles, Clothing, Value-Added Wood Products, Furniture, Paper and Allied Products, Primary Metals, Fabricated Metals, Machinery, Transportation Equipment, Electrical/Electronic Equipment, Non-Metallic Mineral Products, Refined Petroleum and Coal Products, Chemicals, and Other Manufacturing.

MARKETING APPROACHES

PROVIDING STRATEGIC MARKET INTELLIGENCE

Timely and accurate market intelligence is central to the success of any trade and investment venture. The private sector requires market intelligence to determine suitable markets and to select appropriate market entry strategies.

CREATING PARTNERSHIPS, NETWORKS AND ALLIANCES

The development of partnerships, networks and alliances not only acts as a springboard into export markets and creates joint-venture opportunities for Alberta companies but also increases Alberta's leverage in target markets.

SHOWCASING ALBERTA

Showcasing and promoting Alberta to the world employs a variety of marketing initiatives that range from Premier and Ministerial-led trade missions to trade events. These marketing initiatives are designed to improve market awareness and promote Alberta's industry sectors.

LEADING WITH SPECIFIC SECTORS

Promoting Alberta's established sectors in international markets increases awareness of the province's emerging sectors. Leading with a specific sector such as oil & gas often enables market access for related services such as engineering services or environmental goods and services.

FOCUSING ON NEW INVESTMENT

Investment attraction includes the expansion of existing investments in Alberta, the creation of new businesses and the immigration of skilled workers and entrepreneurs.

USING INTERNATIONAL FINANCIAL INSTITUTIONS

International financial institutions such as the World Bank can play an integral role in the development of international activities for Alberta's private sector. The Alberta government provides Alberta companies with information on international financial institutions' development projects to facilitate new export and investment opportunities.

DETERMINING ALBERTA'S TARGET MARKETS

The following criteria were used to determine Alberta's key trade and investment markets:

TRADE MARKET CRITERIA	
Export Growth Analysis of trade patterns and activities in the marketplace to assist in determining where Alberta exports are gaining market share.	**Level of Competitiveness in Target Market** Consumption and production of competitive products, in addition to overall demographic and economic trends, to determine Alberta's advantages in target markets.
Market Size and Openness Evaluation of market opportunities for Alberta companies and identification of barriers that prevent market entry.	**Growth Prospects for Alberta Exports** Evaluation of the capability of Alberta to supply products and services for a specific market, and the opportunities and risks associated with a specific product, service and marketplace.

Existing Sources of Investment Examination of companies that are expanding in a specific sector.	**Building Diversity** Analysis to determine which markets have the greatest potential to help Alberta build related product or value-chain opportunities.
Highest Priority Industry Sectors Determination of which segment of a sector has the highest potential to build on existing strengths.	

ALBERTA'S INDUSTRY SECTORS

Aerospace and Aviation

Agri-food

Architecture, Engineering and Construction

Building Products

Education and Training

Energy

Environmental Products and Services

Health and Bio Industries

Industrial Machinery and Equipment

Information and Communication Technologies

Petrochemicals and Refined Products

Tourism

The following profiles detail the characteristics and market opportunities of Alberta's value-added industry sectors. Opportunities for trade and investment attraction vary from sector to sector. Sector-specific strategies have been developed to address particular needs.

For a list of key activities we will undertake to help companies realize these opportunities, please visit **www.alberta-canada.com/initiatives**

AEROSPACE AND AVIATION

ALBERTA SECTOR PROFILE

Alberta's aerospace industry is a broadly-based and diverse sector that enables the delivery of Alberta goods and services to any marketplace. This sector encompasses services such as aircraft maintenance, repair and overhaul as well as manufacturing of aviation equipment and air carriers. Alberta has considerable expertise in the emerging sub-sector of unmanned vehicle systems. Alberta also has a variety of specialty aviation groups such as air ambulance operations, forest fire suppression, aerial mapping and remote sensing and corporate aviation.

Number of Firms: 80	Number of Employees 2003: 4,900	Total Exports 2003: $329 million

LOOKING FORWARD – MARKET OPPORTUNITIES

Activity in the global aviation sector is closely related to the commercial airline and the defense industries. The increasing commercial activity, in both the passenger and cargo sectors, will lead to a steady demand for Alberta's maintenance and repair and overhaul services. Continuing defense industry spending in the U.S. will also provide more growth potential for Alberta companies with demonstrated strong expertise in defense electronics.

A large portion of the Canadian unmanned vehicle systems industry is located in Alberta. Many unmanned vehicle systems support the needs and competitiveness of Alberta's major industry sectors such as agriculture and oil & gas. The province's strengths in wireless communication, avionics, robotics, navigation systems and global positioning systems provide solid support for unmanned vehicle systems.

EXPORT MARKET OPPORTUNITIES

- Alberta has the potential to be a forerunner in unmanned vehicle systems and to seize market opportunities in the U.S. and the European Union.
- Alberta's cost competitive advantage and modern testing facilities provide opportunities in aerospace testing, particularly in the U.S. market.

INVESTMENT ATTRACTION OPPORTUNITIES

- This sector's foremost investment goal is to attract companies, largely from the U.S. and the European Union, to invest in the development of manufacturing facilities.
- Alberta's local airline and airport industries will also continue to attract complementary industry service companies from across North America.

TARGET MARKETS

Trade Markets	**Key Products / Sub-sectors**
United States	Maintenance, repairs and overhaul services, defense electronics services and products, aerospace testing and engineering support services
European Union	Maintenance, repairs and overhaul services, defense electronics services and products, aerospace testing and engineering support services, unmanned vehicle system R&D
Investment Attraction Markets	**Key Areas**
United States, United Kingdom	Manufacturing facilities for composites, technology, components and value-added finish

For more information, visit Alberta Economic Development's Aerospace and Aviation sector website at **www.alberta-canada.com/aero** and Aviation Alberta at **www.aviationalberta.com.**

TARGET MARKETS

Trade Markets	Key Products / Sub-sectors

AGRI-FOOD

ALBERTA SECTOR PROFILE

Alberta is the second-largest agricultural producer in Canada. While its population represents only 10 per cent of Canada's population, the province accounts for almost one-quarter of the total Canadian exports of agri-food products. The agri-food industry is the second-largest manufacturing sector in Alberta, accounting for 19.2 per cent of the total manufacturing shipments and 17.5 per cent of manufacturing jobs in 2003. Alberta is internationally renowned for its beef, pork, crops, processed meats, functional foods and agri-industrial products.

LOOKING FORWARD – MARKET OPPORTUNITIES

Greater consumer awareness is increasing the importance of health and wellness, convenience, food safety and product traceability. Alberta's agri-food sector is well positioned to meet these more sophisticated consumer needs.

Developing a diverse value-added processing base in key areas such as beef, pork, processed foods, agri-industrial and functional foods would ensure long-term sector growth. Growth will be accomplished by attracting new investment while growing local companies in value-added segments.

EXPORT MARKET OPPORTUNITIES

- The U.S. is a high-priority market in value-added segments such as beef, pork and processed foods.
- With a focus on food safety and traceability, Japan and South Korea are attractive markets for high-quality niche products in beef, pork and processed foods.
- Mexico has emerged as a strong market for beef, pork and processed foods.
- Markets such as the European Union and Russia provide niche opportunities in cases where Alberta products meet country specifications and trade policy guidelines.

INVESTMENT ATTRACTION OPPORTUNITIES

- The U.S. is a primary investment source for establishing and expanding value-added processing capacity in beef, pork, processed foods and meats, functional foods and agri-industrial products. Investment attraction in the U.S. also focuses on new technologies and research for agri-food industry development.
- Opportunities for investment primarily from Japan and South Korea, but also from China and Taiwan, are mainly tied to trade and supply requirements for processed meats and specialty products.
- The European Union, particularly the Netherlands, Germany and the United Kingdom, is also an investment source for processing capacity and emerging technologies in both food and agri-industrial processing.

Trade markets

TARGET MARKETS

Trade Markets	Key Products / Sub-sectors

Investment Attraction Markets	Key Areas

For more information, visit Alberta Economic Development's Agri-food sector website at **www.alberta-canada.com/agri** or visit Alberta Agriculture, Food and Rural Development's website at **www.agric.gov.ab.ca**.

ARCHITECTURE, ENGINEERING AND CONSTRUCTION

ALBERTA SECTOR PROFILE

Alberta's architecture, engineering and construction firms design industrial, institutional, commercial and residential projects around the world. Alberta companies are internationally renowned for their expertise in oil & gas infrastructure and extreme-weather construction. This is a knowledge-based sector, employing people with skills in diverse areas including oil & gas and environmental design.

[illegible]	[illegible]	[illegible]

LOOKING FORWARD – MARKET OPPORTUNITIES

Global market opportunities for this sector are largely driven by demand for infrastructure projects and oil & gas development. Alberta's growth opportunities will be driven by niche expertise in oil & gas development and extreme weather technology.

Continued development of northern gas projects and related pipeline design and construction will result in major opportunities for Alberta companies. Due to the oil sands development, Alberta companies are focused on domestic projects rather than international market opportunities at this time. However, significant opportunities exist for Alberta companies in several key international markets.

EXPORT MARKET OPPORTUNITIES

- The U.S. is a high-priority export market where Alberta companies are very competitive in fabrication, infrastructure projects, architecture, engineering and construction projects, particularly in states such as Texas where industry needs and business practices are similar to Alberta's.
- India presents high-end engineering and project management opportunities in infrastructure development.
- The Persian Gulf region is very active in oil & gas infrastructure and some markets such as the United Arab Emirates have strong demand for high-end engineering and architecture.
- Oil & gas development in Russia and the Caspian region is driving demand for infrastructure, pipelines and extreme weather projects.
- Markets such as Mexico, Venezuela, the Caribbean, China and Southeast Asia often present opportunities for smaller companies in engineering and project management.

INVESTMENT ATTRACTION OPPORTUNITIES

- Investment attraction is focused on multinational companies headquartered in the U.S. to encourage them to establish or expand their Alberta presence.
- The United Kingdom is a target for attracting capital, people and project financing to Alberta.

Trade markets

TARGET MARKETS

Trade Markets	Key Products / Sub-sectors
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

Investment Attraction Markets	Key Areas
[illegible]	[illegible]

For more information, visit Alberta Economic Development's Architecture, Engineering and Construction sector website at **www.alberta-canada.com/aec**

BUILDING PRODUCTS

ALBERTA SECTOR PROFILE

Alberta is a producer of innovative, environmentally friendly, energy-efficient building products for the residential, commercial and industrial markets. Alberta's building products industry is recognized for its expertise in the area of wood-based, steel, concrete and plastic products. Some of the value-added building products produced in Alberta are prefabricated homes, doors, windows, kitchen and bathroom cabinets, roofing and insulation products.

Number of Firms: 1,123	Number of Employees (2005): 39,300	Total Exports (2005): $4.84 billion

LOOKING FORWARD – MARKET OPPORTUNITIES

In addition to a robust local market, the infrastructure growth and renovation markets in North America have created attractive market conditions for residential and commercial building products. Areas such as composite building products, and environmentally friendly and energy efficient building products represent growing niche market opportunities where Alberta products can compete on quality and cost.

EXPORT MARKET OPPORTUNITIES

- The American western states represent a high priority market for Alberta companies due to continued high demand, strong product fit and ease of service. International currency fluctuations could alter Alberta's competitiveness in U.S. markets and may create long-term market challenges for Alberta companies when competing against U.S. domestic companies.
- Long-term opportunities exist in the rapidly expanding economies of China and India as new wealth generation enables a growing class of customers to buy high-quality, value-added products. These market opportunities for Alberta companies will take time and knowledge to develop.

INVESTMENT ATTRACTION OPPORTUNITIES

- The largest individual sector growth opportunity is in kitchen cabinets, where Alberta has a capacity shortfall to serve both domestic and export markets.
- While the U.S. is the strongest potential investor for the Alberta cabinet making industry, Germany and Italy are also promising investment sources. Germany is a potential target for attracting companies and skilled labour.
- Investment attraction opportunities also exist in growing niche product segments such as composite and green products.

Trade markets

TARGET MARKETS

Trade Markets	Key Products / Sub-sectors
United States	Doors, windows, furniture, composite products, environmentally friendly products
China	Doors, windows, composite products, environmentally friendly products

Investment Attraction Markets	Key Areas
United States, Germany, Italy	Engineered wood manufacturing

For more information, visit Alberta Economic Development's Building Products sector website at **www.alberta-canada.com/build**

EDUCATION AND TRAINING

ALBERTA SECTOR PROFILE

Alberta's education system is well known for providing high-quality education programs from basic to post-secondary, specialized apprenticeship and industry training programs. Each year over 10,000 international students enroll in Alberta schools or post-secondary institutions. International post-secondary students have identified the following benefits to studying in Alberta:

- The option of transferring course and program credits between institutions and programs;
- High-quality teaching, research, laboratory, and technical facilities that expose students to the most up-to-date technology in their field;
- Affordable tuition fees and living expenses;
- The opportunity to work in Alberta for two years following graduation; and
- A safe and supportive, multicultural learning environment.

Apprenticeship and trades training in Alberta combines on-the-job training and formal instruction in more than 50 trades. Although Alberta's comprises only 10 per cent of Canada's population, Alberta trains 19 per cent of the country's apprentices. Alberta certified tradesmen are recognized across Canada and around the world.

Post-Secondary Institutions	Number	Full-time Students
Universities	4	68,835
Colleges	15	52,788
Technical Institutes	2	21,381
Banff Centre, Canadian Rockies	1	1,859

Apprenticeship and Industry Training
50 Apprenticeable & designated occupations 20,204 registered apprentices

Basic Education	Number	Full-time Students
Schools	2,069	592,306

LOOKING FORWARD – MARKET OPPORTUNITIES

Alberta Advanced Education and Alberta Education are collaborating with key stakeholders in the development of an International Education Action Plan. This comprehensive plan will guide strategic efforts and promote:

- Additional opportunities for Albertans to develop international knowledge, skills and abilities;
- Enhanced marketing and delivery of quality educational products and services worldwide;
- Stronger relationships with key partner countries in education, government and industry; and
- Improved understanding and commitment to internationalization and its role in the creation of a knowledge-based, innovative workforce.

TARGET MARKETS

- China
- Taiwan
- Hong Kong
- South Korea
- Japan
- Germany
- United States
- Mexico
- Cuba

For more information, visit Alberta Advanced Education's website at **www.advancededucation.gov.ab.ca** and Alberta Education's website at **www.education.gov.ab.ca**

ENERGY

ALBERTA SECTOR PROFILE

ALBERTA PRODUCTION IN 2003

Electricity	Natural Gas
Crude Oil and Oil Sands	Coal

ALBERTA ENERGY RESERVES (REMAINING ESTABLISHED 2003)

*In 2003, the international energy industry recognized Alberta's vast oil sands reserves, second only to Saudi Arabia.
**Resource estimated in place

LOOKING FORWARD – MARKET OPPORTUNITIES

Alberta companies are recognized worldwide for their technical and business expertise in resource development, with active projects in more than 100 countries. Alberta actively invests in research and technology to enhance the sustainable development of our energy and mineral resources and to develop alternate sources of energy, improve energy efficiencies and manage emissions. Alberta's world-class energy and mineral reserves offer diverse business opportunities, from partnering in oil sands development to participating in new pipeline developments. Alberta's growing economy, new electricity transmission policy and competitive electricity market offer a stable, predictable environment for investment.

EXPORT MARKET OPPORTUNITIES

- The governments of Alberta and British Columbia are cooperating to facilitate the export, through western ports, of western Canadian energy supplies, to growing Asian and U.S. markets.
- Value-added opportunities from expanding oil sands production from the current one million barrels per day to three million barrels per day by 2020 include new refining and upgrading capacity and new feedstock for petrochemicals.

INVESTMENT ATTRACTION OPPORTUNITIES

- Alberta's energy hub is the key for northern gas development and transportation to continental markets.
- Alberta's restructured electricity sector offers attractive investment opportunities in coal, cogeneration and wind projects.
- Alberta's new $200 million Innovative Technologies Royalty Program increases recovery targets of conventional oil, natural gas and in situ oil sands, and includes support for pilot projects in carbon dioxide-enhanced oil recovery.

Trade markets

TARGET MARKETS

For more information, visit Alberta Energy's website at **www.energy.gov.ab.ca.**

ENVIRONMENTAL PRODUCTS AND SERVICES

ALBERTA SECTOR PROFILE

LOOKING FORWARD – MARKET OPPORTUNITIES

EXPORT MARKET OPPORTUNITIES

- Given Alberta's expertise in soil remediation, waste management and water treatment, firms are able to seize niche market opportunities in the U.S.
- Opportunities arise from private and public sanitation projects that focus on industrial waste management and water treatment in Mexico and China.
- The Caribbean has potential for Alberta companies as the region is linked to North American continental strategies and relies on international government aid for industry development projects.

INVESTMENT ATTRACTION OPPORTUNITIES

- Investment attraction in this sector is likely to occur in oil sands related activities or investment in industry consolidation.
- Investment opportunities arise in this sector from partnerships and alliances, resource extraction activities and joint ventures.
- Attracting more investment in product development and commercialization, largely from the U.S., Japan and the European Union, is also critical.

Trade markets

TARGET MARKETS

Trade Markets	Key Products / Sub-sectors
United States	Remediation, water and waste
Mexico	Industrial / municipal waste management, water treatment, special projects
China	Urban infrastructure projects

Investment Attraction Markets	Key Markets
United States, Germany	R&D, technology commercialization, business attraction

For more information, visit Alberta Economic Development's Environmental Products and Services sector website at **www.alberta-canada.com/enviro**

HEALTH AND BIO INDUSTRIES

ALBERTA SECTOR PROFILE

Alberta's health and bio sector is made up of four sub-sectors: biotechnology, health services, medical devices and alternative medicines. Alberta is among the top 10 research centres in North America and the province is home to centres of excellence in genomics and proteomics, bioinformatics and immunotherapeutics. As a growing sub-sector, Alberta's biotechnology industry encompasses a wide spectrum of expertise in cancer and infectious disease treatment, bioinformatics, molecular genetics and transplantation. Alberta's medical devices sub-sector is also growing, specifically in assistive devices and surgical equipment and procedures.

LOOKING FORWARD – MARKET OPPORTUNITIES

Aging populations, rising health care costs and policy reforms have created a demand for innovative health care technologies, services and health and wellness products. A concurrent trend is the increased consumer concern about personal wellness and lifestyle, which has created a consumer-driven market environment.

Alberta's growth opportunities arise from a strong research and development infrastructure, including the Alberta Heritage Foundation for Medical Research and the Alberta Ingenuity Fund, which support and attract researchers to work on improving the health and quality of life for Albertans and people throughout the world.

EXPORT MARKET OPPORTUNITIES

- Due to strong research capabilities, many of Alberta's exports are generated through licensing of intellectual property, consulting services, clinical trials and contract research programs.
- Growing segments of biotechnology, pharmaceuticals and alternative medicines have key market access points via multinationals in the U.S. and international contract research organizations.

INVESTMENT ATTRACTION OPPORTUNITIES

- Investment opportunities in this sector may involve equity, partnerships and alliances, supporting research institutes, and leveraging management expertise.
- Long-term sector success is the ability to attract more investment in product development and commercialization, largely from the U.S. and the European Union.

Trade markets

TARGET MARKETS

Trade Markets	Key Products / Sub-sectors
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

Investment Attraction Markets	Key Areas
[illegible]	[illegible]

For more information, visit Alberta Economic Development's Biotechnology sector website at **www.alberta-canada.com/biotech** as well as our Medical Devices and Health Services website at **www.alberta-canada.com/medical**

INDUSTRIAL MACHINERY AND EQUIPMENT

ALBERTA SECTOR PROFILE

Alberta's economy receives a substantial value-added benefit from the industrial machinery and equipment sector. Alberta boasts technologies and services that are in demand throughout the world. A significant amount of equipment produced in this sector is focused on the energy industry and related technologies. Alberta companies are experts in reducing costs and improving exploration and drilling efficiency, as well as in oil & gas production and transportation.

LOOKING FORWARD – MARKET OPPORTUNITIES

National oil company investment and favourable foreign direct investment climates in individual geographic areas drive market opportunities in this sector. The priority for this sector is in oil & gas equipment and services. Most oil & gas equipment and services contracts are tendered globally. The marketing focus for Alberta companies is on major oil companies in markets where significant exploration and production programs are being implemented.

EXPORT MARKET OPPORTUNITIES

- Operations in Houston, Texas, serve as the purchasing arm of international companies and may also act as key trans-shipment points.
- Markets where there is already a significant Alberta private-sector presence, such as the Arabian Gulf region, provide a stable entry point for Alberta small- to medium-sized enterprises.
- Growth opportunities exist for Alberta companies in markets that have recently relaxed foreign investment laws in the petroleum sector such as India.
- Markets with free trade agreements such as Mexico, also provide strong access for Alberta companies.
- Growth potential exists in markets where the Alberta government has committed significant resources to assist Alberta oil & gas equipment and services manufacturers establish networks, such as China.

INVESTMENT ATTRACTION OPPORTUNITIES

- The sector needs to expand investment in technology, joint ventures and contract finance, as well as investment help for high-tech companies that require venture capital.
- The U.S. and the European Union are currently markets for investment attraction and China and India are becoming sources of investment as their capability to compete in the global market increases.

Trade markets

TARGET MARKETS

Trade Markets	Key Products / Sub-sectors
United States	Drilling equipment, production equipment, processing equipment, pipeline, training
Persian Gulf	Drilling equipment, production equipment, processing equipment, pipeline, training
North Africa	Drilling equipment, production equipment, processing equipment, training
Mexico	Drilling equipment, production equipment, processing equipment, pipeline
Brazil, Venezuela	Drilling equipment, production equipment, processing equipment
India, Pakistan	Drilling equipment, production equipment, processing equipment, pipeline, training
China	Drilling equipment, production equipment, processing equipment, pipeline, training
Russia, Kazakhstan	Drilling equipment, production equipment, processing equipment, pipeline

Investment Attraction Markets	Key Areas
United States, European Union	Technology, joint ventures, contract finance, venture capital

For more information, visit Alberta Economic Development's Industrial Machinery and Equipment sector website at **www.alberta-canada.com/ime**

INFORMATION AND COMMUNICATION TECHNOLOGIES

ALBERTA SECTOR PROFILE

LOOKING FORWARD – MARKET OPPORTUNITIES

EXPORT MARKET OPPORTUNITIES

- The U.S. is the main export market for systems integration services, which is Alberta's largest information and communication technologies segment.
- Alberta's wireless export opportunities are focused increasingly on Asia and the European Union.
- U.S., Germany, Belgium, Netherlands and the United Kingdom are growth markets for industrial controls and automation.
- Export growth opportunities exist for software development in areas such as finance, energy and resource industries and gaming in the U.S., United Kingdom, Germany, Belgium, Netherlands, China and South Korea.
- Alberta companies continue to seek out export opportunities in geomatics and geographical information systems by working with multinationals in key global oil & gas and mining markets.

INVESTMENT ATTRACTION OPPORTUNITIES

- Overall, this sector is moving from a competition model to a partnership model that seeks to develop global linkages and corporate sponsors, working through key researchers that are attracted to Alberta.
- Microsystems and nanotechnologies are emerging segments, which attract investment interest for research and development in the U.S., United Kingdom, Japan and Germany.
- Alberta continues to experience a shortage of skilled workers, despite large increases in post secondary education capacity. Alberta will continue to pursue relationships and partnerships with countries and institutions that are important to research and development initiatives in Alberta.

Trade markets

TARGET MARKETS

Trade Markets	Key Products / Sub-sectors
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

Investment Attraction Markets	Key Areas
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

For more information, visit Alberta Economic Development's Information and Communication Technologies sector website at **www.alberta-canada.com/ict**

PETROCHEMICALS AND REFINED PRODUCTS

ALBERTA SECTOR PROFILE

The petrochemical and refined petroleum products sector is Alberta's largest manufacturing sector, with total shipments of $16.5 billion in 2003. The industry has four segments: petrochemicals, fertilizers, inorganic chemicals and specialty and fine chemicals. This sector is also Alberta's leading exporter of manufactured goods at about $4.3 billion in 2003. Rapidly growing oil sands production and refined product supply gaps in U.S. markets create opportunities for major new investment in integrated refining and petrochemical operations in Alberta.

Number of Firms: 28	Number of Employees (2003): 11,400	Total Exports (2003): $4.3 billion

LOOKING FORWARD – MARKET OPPORTUNITIES

This sector is largely a global commodity business, dependent on market-based pricing. Global economic expansion is driving increasing demand across the sector and investment is targeted in lower cost feedstock areas. Low-cost bitumen based feedstock is a key requirement for new Alberta petrochemical capacity and operating cost is the crucial competitive variable.

Alberta's petrochemicals sector is export reliant as there is no local market for additional petrochemicals or refined products. To become export-ready in refined products, Alberta requires infrastructure investment and large capacity development over the next 10 years. While significant investments are already planned and underway in Alberta's oil sands development, the key to long-term value creation is to use this development in a way that promotes value-added opportunities in Alberta. The long-term challenge to export growth will be to achieve competitive feedstock and energy costs.

EXPORT MARKET OPPORTUNITIES

- While Alberta's limited ethane feedstock constrains sector growth, increased oil sands development and bitumen upgrading create a new opportunity for the production of transportation fuels and petrochemicals.
- Alberta's largest export market is the U.S., which is the world's biggest market for petrochemical and refined petroleum products.
- Although the U.S. is increasing its offshore imports, Alberta companies still compete on delivered prices of products due to close proximity to the U.S.

INVESTMENT ATTRACTION OPPORTUNITIES

- The key Alberta sector investment attraction opportunities are in bitumen development (oil sands) and crude oil refining and petrochemical development.
- Alberta has an estimated $100 billion of investment currently planned, with the majority of this in bitumen development.
- In order to develop new sources of feedstock for petrochemical development, Alberta must convince bitumen developers and refiners to invest in further upgrading and refining in the province.

Trade markets

TARGET MARKETS

Trade Markets	Key Products / Sub-sectors
United States	
China	

Investment Attraction Markets	Key Areas
United States, Japan, South Korea, Taiwan, China, European Union	

For more information, visit Alberta Economic Development's Petrochemicals and Refined Products sector website at **www.alberta-canada.com/chempet**

TOURISM

ALBERTA SECTOR PROFILE

Tourism continues to be one of the province's leading industries with tourist spending amounting to $4.3 billion in 2003. Of that total, Alberta residents accounted for just over $2 billion or 48 per cent. Residents of other Canadian provinces accounted for $1 billion, while international visitors spent $1.2 billion in Alberta.

While Alberta's Rocky Mountains continue to play an important role in attracting tourists to Alberta, international and domestic visitors are becoming increasingly aware of the diversity of tourism experiences that exist throughout the province. The natural beauty of the province, as well as its diverse landscape, provide the backdrop for a variety of natural and man-made attractions that provide tourists with a wide range of experiences including: outdoor adventure and recreation, wildlife viewing, special events like the Calgary Stampede and urban night life.

While enhanced marketing is required to help industry reach the $5.19 billion revenue target for 2006, the industry is aware that new and enhanced tourism products must be developed. As a result, the province is working in a variety of areas to develop new product and destination areas such as the Canadian Badlands, the West Yellowhead corridor, David Thompson country and the Grande Cache region.

Tourism Revenue 2003: $4.3 billion	Tourism Revenue Growth Target 2006: $5.19 billion

LOOKING FORWARD – MARKET OPPORTUNITIES

The hotel room tax was eliminated on March 31, 2005. It was replaced by a tourism levy, at a lower rate of 4 per cent, with all funds used for tourism marketing and development activities undertaken by the province. This new sustainable funding mechanism will ensure that Alberta remains on a competitive footing with other jurisdictions.

EXPORT MARKET OPPORTUNITIES

- The U.S. and European markets are important for Alberta's ski products found in Banff, Jasper and Nakiska. Alberta is also known for diverse western themed experiences including the Calgary Stampede and various guest ranch and wilderness retreat experiences located throughout the province.
- Destination resorts in and adjacent to Alberta's Rocky Mountain national parks continue to appeal to U.S. and European visitors, with a growing emphasis on those areas that offer recreational, spa and vacation home opportunities.
- Alberta appeals to various international visitor markets due to its high-calibre cultural experiences that involve a number of UNESCO sanctioned historic facilities and parks.
- Alberta is seeking to develop its Aboriginal tourism products, given that a number of European markets are actively seeking out Aboriginal cultural experiences.
- The province's modern and efficient highway and air transport network, combined with exceptional hospitality services, continue to make fly-and-drive and touring packages particularly appealing to various European and U.S. markets.

INVESTMENT ATTRACTION OPPORTUNITIES

- The Tourism Development Branch of Alberta Economic Development provides a range of information and advisory services to support those wishing to develop or invest in Alberta's tourism industry. A wide range of tourism business opportunities exist in the province in both new and established destination areas.

Trade markets

TARGET MARKETS

	Trade Markets	Key Areas
	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]

	Investment Attraction Markets	Key Areas
	[illegible]	[illegible]
	[illegible]	[illegible]

For more information, visit Alberta Economic Development's Tourism sector website at **www.alberta-canada.com/td**

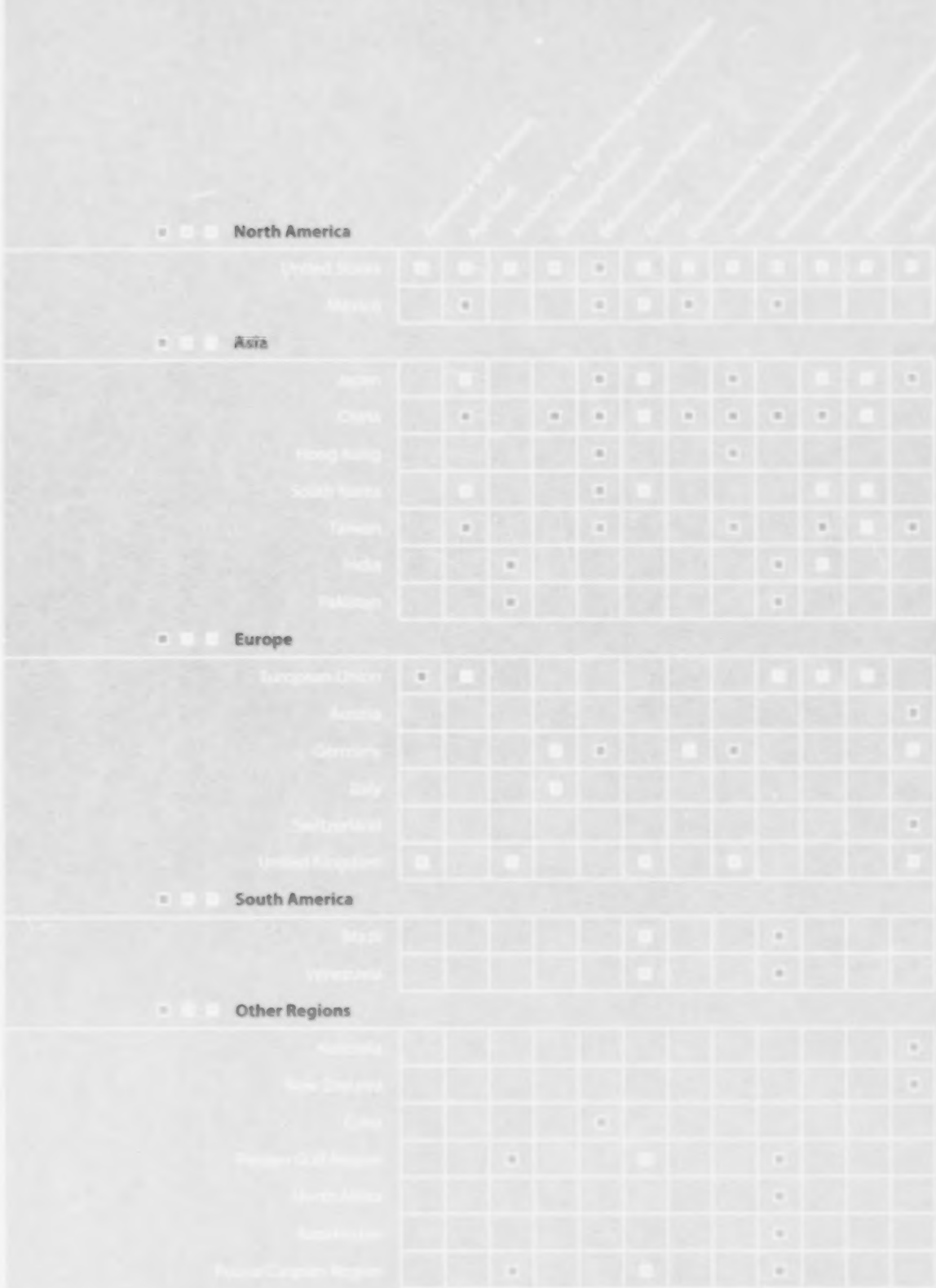
North America

Asia

Europe

South America

Other Regions



ALBERTA'S PRIORITY MARKETS

INTERNATIONAL OFFICES

Alberta currently has 10 international offices that are key to establishing entry and acquiring contacts in international markets.*

BEIJING
Alberta China Office
19 Dongzhimenwai Dajie
Chaoyang District, Beijing 100600
People's Republic of China
Email: albertachinaoffice@gov.ab.ca

CNPC - ALBERTA PETROLEUM CENTRE
2nd Floor Science & Technology Building
#20 Xue Yuan Road, HaiDian District
Beijing 100083
People's Republic of China
Email: capc@gov.ab.ca

HONG KONG
Alberta Hong Kong Office
Room 1004 Admiralty Centre
Tower Two, 18 Harcourt Road
Central, Hong Kong SAR
Email: albertahongkongoffice@gov.ab.ca

MUNICH
Alberta Germany Office
Canadian Consulate
Tal 29, 80331 Munich, Germany
Email: albertagermanyoffice@gov.ab.ca

MEXICO CITY
Alberta Mexico Office
Alberta Economic Development
Calle Schiller No. 529
Colonia Polanco
Del. Miguel Hidalgo
Mexico D. F., Mexico 11560
Email: albertamexicooffice@gov.ab.ca

TOKYO
Alberta Japan Office
Place Canada, 3rd Floor
3-37, Akasaka 7-chome
Minato-ku, Tokyo 107, Japan
Email: albertajapanoffice@gov.ab.ca

SEOUL
Alberta Korea Office
9th Floor, Kolon Building
45, Mukyo-doong, Chung-ku
Seoul 100-170, Republic of Korea
Email: albertakoreaoffice@gov.ab.ca

TAIPEI
Alberta Taiwan Office
Canadian Trade Office
13th Floor, 365 Fu Hsing North Road
Taipei, 105, Taiwan
Email: albertataiwanoffice@gov.ab.ca

LONDON
Alberta London Office
Canadian High Commission
Macdonald House
1 Grosvenor Square
London, England W1K 4AB
Email: albertaukoffice@gov.ab.ca

WASHINGTON, D.C.
Alberta Office in Washington, D.C.
Canadian Embassy
501 Pennsylvania Avenue N.W.
Washington, D.C. 20001
Email: albertainwashington@canadianembassy.org

*The Government of Alberta currently has a seconded employee leading the Canadian Consulate in Houston.

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